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QUALCOMM INCORPORATED, SNAPTRACK, INC. and  
10 NORMAN KRASNER

11 UNITED STATES DISTRICT COURT  
12 SOUTHERN DISTRICT OF CALIFORNIA  
13

14 GABRIEL TECHNOLOGIES  
15 CORPORATION and TRACE  
16 TECHNOLOGIES, LLC,

17 Plaintiffs,

18 v.

19 QUALCOMM INCORPORATED,  
SNAPTRACK, INC. and NORMAN  
20 KRASNER,

21 Defendants.  
22

Case No. 08-cv-1992-MMA(POR)

**DEFENDANT QUALCOMM  
INCORPORATED, SNAPTRACK, INC., AND  
NORMAN KRASNER'S ANSWER TO  
FOURTH AMENDED COMPLAINT**

**JURY TRIAL DEMANDED**

Judge: Hon. Michael M. Anello

23 Defendants Qualcomm Incorporated ("Qualcomm"), SnapTrack, Inc. ("SnapTrack") and  
24 Norman Krasner ("Krasner") (collectively referred to hereafter as "Defendants") answer the  
25 Fourth Amended Complaint filed by Plaintiffs Gabriel Technologies Corporation ("Gabriel") and  
26 Trace Technologies, LLC ("Trace") (collectively referred to hereafter as "Plaintiffs"). Each  
27 allegation not expressly admitted is denied. The following numbered paragraphs of this Answer  
28 correspond to the numbered paragraphs in the Fourth Amended Complaint, other than with

1 respect to the affirmative defenses set forth herein, and the Prayer for Relief.

2 **ANSWER**

3 **I. INTRODUCTION**

4 1. Defendants admit that Krasner has over 60 published domestic patents related to,  
5 among other things, global positioning satellite systems. Defendants deny each and every  
6 remaining allegation in paragraph 1 of the Fourth Amended Complaint.

7 2. Defendants admit that SnapTrack entered into a license agreement with Loc8.net.  
8 Defendants are without sufficient knowledge or information to form a belief as to the truth of the  
9 allegation that Loc8.net is a predecessor-in-interest to Gabriel. Defendants deny each and every  
10 remaining allegation in paragraph 2 of the Fourth Amended Complaint.

11 3. Defendants admit that Qualcomm gave stock worth approximately \$1 billion at the  
12 time to acquire SnapTrack. Defendants deny each and every remaining allegation in paragraph 3  
13 of the Fourth Amended Complaint.

14 4. The allegations in paragraph 4 are not factual allegations; therefore, Defendants  
15 are not required to admit or deny them. To the extent any of the allegations require a response,  
16 Defendants deny them.

17 **II. PARTIES**

18 5. Defendants are without sufficient knowledge or information to form a belief as to  
19 the truth of the allegations in paragraph 5 and, therefore, deny them.

20 6. Defendants are without sufficient knowledge or information to form a belief as to  
21 the truth of the allegations in paragraph 6 and, therefore, deny them.

22 7. Defendants admit that Qualcomm is a Delaware corporation with its principal  
23 place of business in San Diego, California. Defendants admit that, for purposes of Plaintiffs'  
24 Fourth Amended Complaint in this action, Qualcomm was served through its counsel of record,  
25 Cooley Godward Kronish LLP. Except as expressly admitted, Defendants deny each and every  
26 remaining allegation in paragraph 7.

27 8. Defendants admit that SnapTrack is a California corporation with its principal  
28 place of business in California. Defendants admit that SnapTrack has been a wholly owned

1 subsidiary of Qualcomm since 2000. Defendants admit that, for purposes of Plaintiffs' Fourth  
 2 Amended Complaint in this action, SnapTrack was served through its counsel of record, Cooley  
 3 Godward Kronish LLP. Except as expressly admitted, Defendants deny each and every  
 4 remaining allegation in paragraph 8.

5 **9.** Defendants admit that Krasner is a California resident. Defendants admit that, for  
 6 purposes of Plaintiffs' Fourth Amended Complaint in this action, Krasner was served through his  
 7 counsel of record, Cooley Godward Kronish LLP. Except as expressly admitted, Defendants  
 8 deny each and every remaining allegation in paragraph 9.

### 9 **III. JURISDICTION AND VENUE**

10 **10.** The allegations in paragraph 10 are legal and non-factual allegations; therefore,  
 11 Defendants are not required to admit or deny them. To the extent any of the allegations require a  
 12 response, Defendants deny them. Defendants also deny that there is any claim for equitable  
 13 patent infringement, so such a claim cannot confer jurisdiction in this court.

14 **11.** The allegations in paragraph 11 are legal and non-factual allegations; therefore,  
 15 Defendants are not required to admit or deny them. To the extent the allegations require a  
 16 response, Defendants deny them.

### 17 **IV. FACTS APPLICABLE TO ALL COUNTS**

#### 18 **Gabriel, Trace, and Locate.**

19 **12.** Defendants deny the allegations in the first two sentences of paragraph 12.  
 20 Defendants are without sufficient knowledge or information to form a belief as to the truth of the  
 21 remaining allegations in paragraph 12 and, therefore, deny them.

22 **13.** Defendants are without sufficient knowledge or information to form a belief as to  
 23 the truth of the allegations in paragraph 13 and, therefore, deny them.

24 **14.** Defendants are without sufficient knowledge or information to form a belief as to  
 25 the truth of the allegations in paragraph 14 and, therefore, deny them.

#### 26 **Krasner and SnapTrack.**

27 **15.** Defendants admit that SnapTrack had discussions with Richard Crowson  
 28

1 (“Crowson”) and William Clise (“Clise”) regarding a license agreement between Locate and  
 2 SnapTrack. Defendants are without sufficient knowledge or information to form a belief as to the  
 3 truth of the allegation that Crowson and Clise were the founders of Locate and, therefore, deny  
 4 such allegation. Except as expressly admitted, Defendants deny each and every remaining  
 5 allegation in paragraph 15 of the Fourth Amended Complaint.

6 **16.** Defendants deny each and every allegation in paragraph 16 of the Fourth  
 7 Amended Complaint.

8 **17.** Defendants admit that SnapTrack and Locate negotiated terms of a license  
 9 agreement which included a license to certain intellectual property of SnapTrack. Except as  
 10 expressly admitted, Defendants deny each and every remaining allegation in paragraph 17 of the  
 11 Fourth Amended Complaint.

12 **18.** Defendants deny each and every allegation in paragraph 18 of the Fourth  
 13 Amended Complaint.

14 **19.** Defendants admit that SnapTrack developed assisted Global Positioning System  
 15 (“aGPS”) technology and related intellectual property. Except as expressly admitted, Defendants  
 16 deny each and every remaining allegation in paragraph 19 of the Fourth Amended Complaint.

17 **20.** Defendants deny each and every allegation in paragraph 20 of the Fourth  
 18 Amended Complaint.

19 **21.** Defendants deny the allegations in the first sentence of paragraph 21 of the Fourth  
 20 Amended Complaint. Defendants are without sufficient knowledge or information to form a  
 21 belief as to the truth of the remaining allegations in paragraph 21 of the Fourth Amended  
 22 Complaint and, therefore, deny them.

23 **SnapTrack and Locate Enter Into the License Agreement.**

24 **22.** Defendants admit that, in negotiating the terms of a license agreement,  
 25 representatives of SnapTrack discussed intellectual property rights with representatives of Locate.  
 26 Except as expressly admitted, Defendants deny each and every remaining allegation in paragraph  
 27 22 of the Fourth Amended Complaint.

28 **23.** Defendants admit that on August 20, 1999, SnapTrack and Locate entered into a

1 License Agreement (“1999 License Agreement”). Except as expressly admitted, Defendants deny  
2 each and every remaining allegation in paragraph 23 of the Fourth Amended Complaint.

3 **24.** Defendants deny that paragraph 24 accurately or completely characterizes the  
4 language and terms of the 1999 License Agreement and to the extent that paragraph 24 purports  
5 to characterize the 1999 License Agreement, Defendants refer to the 1999 License Agreement  
6 itself for its full and complete terms. Except as expressly admitted, Defendants deny each and  
7 every remaining allegation in paragraph 24.

8 **25.** Defendants admit that, under the 1999 License Agreement, Locate agreed to pay  
9 the fees set out in Exhibit F to the 1999 License Agreement in part for SnapTrack’s delivery of  
10 software as provided in the 1999 License Agreement. Defendants deny that paragraph 25  
11 accurately or completely characterizes the language and terms of the 1999 License Agreement  
12 and to the extent that paragraph 25 purports to characterize the 1999 License Agreement,  
13 Defendants refer to the 1999 License Agreement itself for its full and complete terms. Except as  
14 expressly admitted, Defendants deny each and every remaining allegation in paragraph 25.

15 **26.** Defendants admit that the quoted language in paragraph 26 appears in Section 8 of  
16 the 1999 License Agreement. Defendants deny that paragraph 26 accurately or completely  
17 characterizes the language and terms of the 1999 License Agreement and to the extent that  
18 paragraph 26 purports to characterize the 1999 License Agreement, Defendants refer to the 1999  
19 License Agreement itself for its full and complete terms. Except as expressly admitted,  
20 Defendants deny each and every remaining allegation in paragraph 26.

21 **27.** Defendants deny that paragraph 27 accurately or completely characterizes the  
22 language and terms of the 1999 License Agreement and to the extent that paragraph 27 purports  
23 to characterize the 1999 License Agreement, Defendants refer to the 1999 License Agreement  
24 itself for its full and complete terms. Except as expressly admitted, Defendants deny each and  
25 every remaining allegation in paragraph 27.

26 **28.** Defendants admit that the quoted language in paragraph 28 appears in Section 8 of  
27 the 1999 License Agreement. Defendants deny that paragraph 28 accurately or completely  
28 characterizes the language and terms of the 1999 License Agreement and to the extent that

1 paragraph 28 purports to characterize the 1999 License Agreement, Defendants refer to the 1999  
2 License Agreement itself for its full and complete terms. Except as expressly admitted,  
3 Defendants deny each and every remaining allegation in paragraph 28.

4 **29.** Defendants admit that the quoted language in paragraph 29 appears in Section  
5 8(b)(i) of the 1999 License Agreement. Defendants deny that paragraph 29 accurately or  
6 completely characterizes the language and terms of the 1999 License Agreement and to the extent  
7 that paragraph 29 purports to characterize the 1999 License Agreement, Defendants refer to the  
8 1999 License Agreement itself for its full and complete terms. Except as expressly admitted,  
9 Defendants deny each and every remaining allegation in paragraph 29.

10 **30.** Defendants admit that the quoted language in paragraph 30 appears in Section 9(a)  
11 of the 1999 License Agreement. Defendants deny that paragraph 30 accurately or completely  
12 characterizes the language and terms of the 1999 License Agreement and to the extent that  
13 paragraph 30 purports to characterize the 1999 License Agreement, Defendants refer to the 1999  
14 License Agreement itself for its full and complete terms. Except as expressly admitted,  
15 Defendants deny each and every remaining allegation in paragraph 30.

16 **31.** Defendants deny that paragraph 31 accurately or completely characterizes the  
17 language and terms of the 1999 License Agreement and to the extent that paragraph 31 purports  
18 to characterize the 1999 License Agreement, Defendants refer to the 1999 License Agreement  
19 itself for its full and complete terms. Defendants are without sufficient knowledge or information  
20 to form a belief as to the truth of the remaining allegations in paragraph 31 and, therefore, deny  
21 them.

22 **32.** Defendants deny each and every allegation in paragraph 32 of the Fourth  
23 Amended Complaint.

24 **SnapTrack Finds a Buyer: Qualcomm.**

25 **33.** Defendants admit that Qualcomm has been involved in prior intellectual property  
26 disputes. The remaining allegations in paragraph 33 are not factual allegations; therefore,  
27 Defendants are not required to admit or deny them. To the extent the allegations require a  
28 response, Defendants deny them.

1           **34.** Defendants admit that Qualcomm was founded in 1985. Defendants admit that  
2 Qualcomm developed and patented technology related to Code Division Multiple Access  
3 (“CDMA”). Except as expressly admitted, Defendants deny each and every remaining allegation  
4 in paragraph 34 of the Fourth Amended Complaint.

5           **35.** Defendants admit that Qualcomm earns revenues by licensing its many patents,  
6 some of which relate to CDMA. Except as expressly admitted, Defendants deny each and every  
7 remaining allegation in paragraph 35 of the Fourth Amended Complaint.

8           **36.** Defendants admit that Qualcomm earned \$343 million in license, royalty, and  
9 development revenue in the 1999 Fiscal Year. Except as expressly admitted, Defendants deny  
10 each and every remaining allegation in paragraph 36 of the Fourth Amended Complaint.

11           **37.** Defendants admit that Qualcomm was and is a leader in aGPS. Except as  
12 expressly admitted, Defendants deny each and every remaining allegation in paragraph 37 of the  
13 Fourth Amended Complaint.

14           **38.** Defendants admit that Qualcomm decided to acquire SnapTrack and conducted  
15 due diligence. Except as expressly admitted, Defendants deny the allegations in paragraph 38 of  
16 the Fourth Amended Complaint.

17           **39.** Defendants admit that Bruce Greenhaus was a Qualcomm vice president and was  
18 an attorney admitted to practice before the U.S. Patent and Trademark Office. Defendants admit  
19 that Greenhaus was involved in conducting due diligence for the SnapTrack acquisition. Except  
20 as expressly admitted, Defendants deny each and every remaining allegation in paragraph 39 of  
21 the Fourth Amended Complaint.

22           **40.** Defendants deny each and every allegation in paragraph 40 of the Fourth  
23 Amended Complaint.

24           **41.** Defendants admit that Qualcomm issued a press release on January 26, 2000, and  
25 that the quoted language appears in the press release. Defendants deny that paragraph 41  
26 accurately or completely characterizes the language of the January 26, 2000 press release and to  
27 the extent that paragraph 41 purports to characterize the January 26, 2000 press release,  
28 Defendants refer to the press release for its full and complete terms.



1           **42.** Defendants admit that the press release Qualcomm issued on January 26, 2000  
2 contained a quote from Dr. Irwin Mark Jacobs, then Chairman and CEO of Qualcomm, and that  
3 the quoted language in paragraph 42 appears in the press release. Defendants deny that paragraph  
4 42 accurately or completely characterizes the language of the January 26, 2000 press release and  
5 to the extent that paragraph 42 purports to characterize the January 26, 2000 press release,  
6 Defendants refer to the press release itself for its full and complete language. Except as expressly  
7 admitted, Defendants deny each and every remaining allegation in paragraph 42 of the Fourth  
8 Amended Complaint.

9           **43.** Defendants admit that the quoted language in paragraph 43 appears in the  
10 January 26, 2000 press release. Defendants deny that paragraph 43 accurately or completely  
11 characterizes the language of the January 26, 2000 press release and to the extent that paragraph  
12 43 purports to characterize the January 26, 2000 press release, Defendants refer to the press  
13 release itself for its full and complete language. Except as expressly admitted, Defendants deny  
14 each and every remaining allegation in paragraph 43 of the Fourth Amended Complaint.

15           **44.** Defendants deny each and every allegation in paragraph 44 of the Fourth  
16 Amended Complaint.

17           **45.** Defendants deny each and every allegation in paragraph 45 of the Fourth  
18 Amended Complaint.

19           **46.** Defendants admit that Qualcomm issued a press release on March 2, 2000  
20 announcing that it had completed the acquisition of SnapTrack, and that SnapTrack became a  
21 wholly-owned subsidiary of Qualcomm. Defendants admit that the quoted language in paragraph  
22 46 appears in the March 2, 2000 press release. Defendants deny that paragraph 46 accurately or  
23 completely characterizes the language of the March 2, 2000 press release and to the extent that  
24 paragraph 46 purports to characterize the March 2, 2000 press release, Defendants refer to the  
25 press release itself for its full and complete language. Except as expressly admitted, Defendants  
26 deny each and every remaining allegation in paragraph 46 of the Fourth Amended Complaint.

27           **47.** Defendants admit that Krasner received Qualcomm stock as part of Qualcomm's  
28 acquisition of SnapTrack and that Krasner became a Qualcomm employee. Except as expressly



1 admitted, Defendants deny the remaining allegations in paragraph 47 of the Fourth Amended  
2 Complaint.

3 **48.** Defendants deny each and every allegation in paragraph 48 of the Fourth  
4 Amended Complaint.

5 **49.** Defendants deny each and every allegation in paragraph 49 of the Fourth  
6 Amended Complaint.

7 **50.** Defendants deny each and every allegation in paragraph 50 of the Fourth  
8 Amended Complaint.

9 **51.** Defendants admit that Qualcomm issued a press release on January 16, 2002  
10 announcing a new gpsOne™ mobile-based product feature for position location related  
11 applications and services. Except as expressly admitted, Defendants deny each and every  
12 remaining allegation in paragraph 51 of the Fourth Amended Complaint.

13 **52.** Defendants admit that by the end of 2005, the number of gpsOne-enabled handsets  
14 in the world exceeded 150 million. Defendants admit that Qualcomm GPS technology is widely  
15 deployed. Except as expressly admitted, Defendants deny each and every remaining allegation in  
16 paragraph 52 of the Fourth Amended Complaint.

17 **Krasner, SnapTrack, and Qualcomm Misappropriate Gabriel's Trade Secrets and**  
18 **Confidential Information.**

19 **53.** Defendants deny each and every allegation in paragraph 53 of the Fourth  
20 Amended Complaint.

21 **54.** Defendants admit that Krasner filed patent applications on aGPS technology.  
22 Defendants deny each and every remaining allegation in paragraph 54 of the Fourth Amended  
23 Complaint.

24 **55.** Defendants deny each and every allegation in paragraph 55 of the Fourth  
25 Amended Complaint.

26 **56.** Defendants deny each and every allegation in paragraph 56 of the Fourth  
27 Amended Complaint.

28 **57.** Defendants deny each and every allegation in paragraph 57 of the Fourth

1 Amended Complaint.

2       **58.** Defendants deny each and every allegation in paragraph 58 of the Fourth  
3 Amended Complaint.

4       **59.** Defendants deny each and every allegation in paragraph 59 of the Fourth  
5 Amended Complaint.

6       **60.** Defendants deny each and every allegation in paragraph 60 of the Fourth  
7 Amended Complaint.

8       **61.** Defendants deny each and every allegation in paragraph 61 of the Fourth  
9 Amended Complaint.

10       **62.** Defendants deny each and every allegation in paragraph 62 of the Fourth  
11 Amended Complaint.

12       **63.** Defendants admit that the patents and applications set forth in paragraph 63 claim  
13 certain inventions. Except as expressly admitted, Defendants deny each and every allegation in  
14 paragraph 63 of the Fourth Amended Complaint.

15       **64.** Defendants admit that the patent applications set forth in paragraph 64 claim  
16 certain inventions. Except as expressly admitted, Defendants deny each and every allegation in  
17 paragraph 64 of the Fourth Amended Complaint.

18       **65.** Defendants deny each and every allegation in paragraph 65 of the Fourth  
19 Amended Complaint.

20       **66.** Defendants admit that Qualcomm licenses its patent portfolio to leading  
21 companies in the wireless telecommunications industry. Except as expressly admitted,  
22 Defendants deny each and every remaining allegation in paragraph 66 of the Fourth Amended  
23 Complaint.

24       **67.** Defendants deny each and every allegation in paragraph 67 of the Fourth  
25 Amended Complaint.

26       **68.** Defendants deny each and every allegation in paragraph 68 of the Fourth  
27 Amended Complaint.

28       **The Specific Patents and Patent Applications.**

1           **69.** Defendants admit that they did not name Locate or its employees as inventors on  
2 any of the Patents or Applications discussed in the Fourth Amended Complaint. Except as  
3 expressly admitted, Defendants deny each and every allegation in paragraph 69 of the Fourth  
4 Amended Complaint.

5           The '209 Patent and the '757 Patent

6           **70.** Defendants admit the allegations in paragraph 70 of the Fourth Amended  
7 Complaint.

8           **71.** Defendants admit that SnapTrack and Locate discussed latency from time to time.  
9 Except as expressly admitted, Defendants deny each and every allegation in paragraph 71 of the  
10 Fourth Amended Complaint.

11           **72.** Defendants deny each and every allegation in paragraph 72 of the Fourth  
12 Amended Complaint.

13           **73.** Defendants deny each and every allegation in paragraph 73 of the Fourth  
14 Amended Complaint.

15           The '372 Patent

16           **74.** Defendants admit the allegations in paragraph 74 of the Fourth Amended  
17 Complaint.

18           **75.** Defendants deny each and every allegation in paragraph 75 of the Fourth  
19 Amended Complaint.

20           **76.** Defendants deny each and every allegation in paragraph 76 of the Fourth  
21 Amended Complaint.

22           **77.** Defendants deny each and every allegation in paragraph 77 of the Fourth  
23 Amended Complaint.

24           The '050 Patent

25           **78.** Defendants admit the allegations in paragraph 78 of the Fourth Amended  
26 Complaint.

27           **79.** Defendants deny that paragraph 79 accurately or completely characterizes the '050  
28 Patent and to the extent that paragraph 79 purports to characterize the '050 Patent, Defendants

1 refer to the '050 Patent itself for its full and complete language. On this basis, Defendants deny  
2 the allegations in paragraph 79.

3 **80.** Defendants deny each and every allegation in paragraph 80 of the Fourth  
4 Amended Complaint.

5 **81.** Defendants are without sufficient knowledge or information to form a belief as to  
6 the truth of the allegations in paragraph 81 of the Fourth Amended Complaint and, therefore,  
7 deny them.

8 The '980 Patent

9 **82.** Defendants admit that Qualcomm employees Douglas N. Rowitch and Christopher  
10 Patrick are named as inventors of the '980 Patent. Defendants deny that paragraph 82 accurately  
11 or completely characterizes claim 1 of the '980 Patent and to the extent that paragraph 82  
12 purports to characterize claim 1 of the '980 Patent, Defendants refer to the '980 Patent itself for  
13 its full and complete language. Except as expressly admitted, Defendants deny each and every  
14 remaining allegation in paragraph 82 of the Fourth Amended Complaint.

15 **83.** Defendants are without sufficient knowledge or information to form a belief as to  
16 the truth of the allegations in paragraph 83 of the Fourth Amended Complaint and, therefore,  
17 deny them.

18 The '249 Patent

19 **84.** Defendants admit that the '249 Patent names Peter Gaal, a Qualcomm employee,  
20 as inventor. Defendants deny that paragraph 84 accurately or completely characterizes the '249  
21 Patent and to the extent paragraph 84 purports to characterize the '249 Patent, Defendants refer to  
22 the '249 Patent itself for its complete language. Except as expressly admitted, Defendants deny  
23 each and every remaining allegation in paragraph 84 of the Fourth Amended Complaint.

24 **85.** Defendants deny that paragraph 85 accurately characterizes the documents it refers  
25 to, and to the extent that paragraph 82 purports to characterize the documents, Defendants refer to  
26 the documents for their full and complete language. On this basis, Defendants deny the  
27 allegations in paragraph 85 of the Fourth Amended Complaint.

28 **86.** Defendants deny each and every allegation in paragraph 86 of the Fourth

Amended Complaint.

The '402 Patent

**87.** Defendants admit the allegations in paragraph 87 of the Fourth Amended Complaint.

**88.** Defendants are without sufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 88 of the Fourth Amended Complaint and, therefore, deny them.

**89.** Defendants are without sufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 89 of the Fourth Amended Complaint and, therefore, deny them.

**90.** Defendants are without sufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 90 of the Fourth Amended Complaint and, therefore, deny them.

**91.** Defendants are without sufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 91 of the Fourth Amended Complaint and, therefore, deny them.

**92.** Defendants deny each and every allegation in paragraph 92 of the Fourth Amended Complaint.

The '786 Patent and the '436 Application

**93.** Defendants admit that that '786 Patent and '436 Application name Krasner as the inventor. Defendants admit that the '786 Patent and '436 Application are both entitled "Method and Apparatus for Communicating Emergency Information Using Wireless Devices." Except as expressly admitted, Defendants deny each and every remaining allegation in paragraph 93 of the Fourth Amended Complaint.

**94.** Defendants are without sufficient knowledge or information to form a belief as to the truth of the allegations in paragraph 94 of the Fourth Amended Complaint and, therefore, deny them.

**95.** Defendants are without sufficient knowledge or information to form a belief as to

1 the truth of the allegations in paragraph 95 of the Fourth Amended Complaint and, therefore,  
2 deny them.

3 The '876 Patent

4 **96.** Defendants admit that, on its face, the '876 Patent claims to be related to U.S.  
5 Provisional application No. 60/406,261 that was filed on August 26, 2002. Defendants deny that  
6 paragraph 96 accurately reflects or completely characterizes the '876 Patent and to the extent that  
7 paragraph 96 purports to characterize the '876 Patent, Defendants refer to the '876 Patent itself  
8 for its full and complete language. Defendants admit that Qualcomm employees Anjali Jha and  
9 Francesco Grilli are named as inventors on the '876 patent. Except as expressly admitted,  
10 Defendants deny each and every remaining allegation in paragraph 96 of the Fourth Amended  
11 Complaint.

12 **97.** Defendants are without sufficient knowledge or information to form a belief as to  
13 the truth of the allegations in paragraph 97 of the Fourth Amended Complaint and, therefore,  
14 deny them.

15 The '277 Patent and the '856 Application

16 **98.** Defendants admit that, on its face, the '277 Patent claims to be related to U.S.  
17 Provisional application No. 60/542,496 that was filed on February 5, 2004. Defendants deny that  
18 paragraph 98 accurately or completely characterizes the '277 Patent and to the extent that  
19 paragraph 98 purports to characterize the '277 Patent, Defendants refer to the '277 Patent for its  
20 full and complete language. Defendants admit that Qualcomm employee Kirk Burroughs is  
21 named as the inventor of the '277 Patent. Except as expressly admitted, Defendants deny each  
22 and every remaining allegation in paragraph 98 of the Fourth Amended Complaint.

23 **99.** Defendants are without sufficient knowledge or information to form a belief as to  
24 the truth of the allegations in paragraph 99 of the Fourth Amended Complaint and, therefore,  
25 deny them.

26 The '799 Application

27 **100.** Defendants admit that, on its face, the '799 Application claims to be related to  
28 U.S. Provisional application No. 60/419,680 that was filed on October 17, 2002. Defendants

1 deny that paragraph 100 accurately or completely characterizes the '799 application and to the  
2 extent that paragraph 100 purports to characterize the '799 Application, Defendants refer to the  
3 '799 application itself for its full and complete language. Defendants admit that Leonid  
4 Sheynblat is named as the inventor on the '799 Application. Except as expressly admitted,  
5 Defendants deny each and every remaining allegation in paragraph 100 of the Fourth Amended  
6 Complaint.

7 **101.** Defendants are without sufficient knowledge or information to form a belief as to  
8 the truth of the allegations in paragraph 101 of the Fourth Amended Complaint and, therefore,  
9 deny them.

10 The '062 Application

11 **102.** Defendants admit that, on its face, the '062 Application claims to be related to  
12 U.S. Provisional application No. 60/452,358 that was filed on March 5, 2003. Defendants deny  
13 that paragraph 102 accurately or completely characterizes the '062 Application and to the extent  
14 that paragraph 102 purports to characterize the '062 Application, Defendants refer to the '062  
15 Application for its full and complete language. Defendants admit that the inventors named on the  
16 '062 Application are Jun Wang, Leonid Sheynblat, Parag Agahse, Randall Gellens and Raymond  
17 Hsu. Except as expressly admitted, Defendants deny each and every remaining allegation in  
18 paragraph 102 of the Fourth Amended Complaint.

19 **103.** Defendants are without sufficient knowledge or information to form a belief as to  
20 the truth of the allegations in paragraph 103 of the Fourth Amended Complaint and, therefore,  
21 deny them.

22 The '409 Application

23 **104.** Defendants admit that Anjali Jha and Krasner are named as inventors on the '409  
24 Application. Defendants deny that paragraph 104 accurately or completely characterizes the '409  
25 Application and to the extent that paragraph 104 purports to characterize the '409 Application,  
26 Defendants refer to the '409 Application for its full and complete language. On this basis and  
27 except as expressly admitted, Defendants deny the allegations in Paragraph 104 of the Fourth  
28 Amended Complaint.



1           **105.** Defendants deny that paragraph 105 accurately or completely characterizes the  
 2 claims in the '409 Application and to the extent that paragraph 105 purports to characterize the  
 3 language of the '409 Application, Defendants refer to the '409 Application itself for its full and  
 4 complete language. Defendants deny each and every remaining allegation in paragraph 105 of  
 5 the Fourth Amended Complaint.

6           The '986 Application

7           **106.** Defendants admit that the '986 Application lists Krasner and Sheynblat as  
 8 inventors. Defendants deny that paragraph 106 accurately or completely characterize the '986  
 9 Application and to the extent that paragraph 106 purports to characterize the '986 Application,  
 10 Defendants refer to the '986 Application itself for its full and complete language. On this basis  
 11 and except as expressly admitted, Defendants deny the allegations in paragraph 106.

12           **107.** Defendants are without sufficient knowledge or information to form a belief as to  
 13 the truth of the allegations in paragraph 107 of the Fourth Amended Complaint and, therefore,  
 14 deny them.

15           **108.** The allegations in paragraph 108 call for legal conclusions not factual allegations;  
 16 therefore, Defendants are not required to admit or deny them. To the extent the allegations in  
 17 paragraph 108 require a response, Defendants deny them.

18           **Qualcomm Continues Its Wrongdoing.**

19           **109.** Defendants admit that Qualcomm Ventures conducted due diligence regarding a  
 20 potential investment in Locate, and that Qualcomm Ventures did not invest in or acquire Locate.  
 21 Defendants deny each and every remaining allegation in paragraph 109 of the Fourth Amended  
 22 Complaint.

23           **110.** Defendants admit that, in 2004, SnapTrack and Qualcomm entered into  
 24 discussions with Locate and/or Trace regarding amending the 1999 License Agreement and that  
 25 SnapTrack and Qualcomm presented Trace and/or Locate with a proposed Amended and Restated  
 26 License Agreement. Defendants are without sufficient knowledge or information to form a belief  
 27 as to the truth of the remaining allegations in paragraph 110 of the Fourth Amended Complaint  
 28 and, therefore, deny them.

1           **111.** Defendants deny each and every allegation in paragraph 111 of the Fourth  
2 Amended Complaint.

3           **112.** Defendants are without sufficient knowledge or information to form a belief as to  
4 the truth of the remaining allegations in paragraph 112 of the Fourth Amended Complaint and,  
5 therefore, deny them.

6           **113.** Defendants are without sufficient knowledge or information to form a belief as to  
7 the truth of the remaining allegations in paragraph 113 of the Fourth Amended Complaint and,  
8 therefore, deny them.

9           **114.** Defendants deny each and every allegation in paragraph 114 of the Fourth  
10 Amended Complaint.

11           **115.** Defendants admit that, at the time Qualcomm was negotiating an Amended and  
12 Restated License Agreement with Locate and/or Trace, Qualcomm requested that Locate pay  
13 approximately \$342,000 in late fees owed under the 1999 License Agreement. Defendants admit  
14 that Qualcomm agreed to forgo the late fees when Locate and/or Trace entered into this 2006  
15 Amended and Restated License Agreement. Except as expressly admitted, Defendants deny each  
16 and every remaining allegation in paragraph 115 of the Fourth Amended Complaint.

17           **116.** Defendants admit that Phillip Fries was Senior Legal Counsel at Qualcomm.  
18 Defendants admit that, at the time Qualcomm was negotiating that Amended and Restated  
19 License Agreement with Locate and/or Trace, Qualcomm requested that Locate pay  
20 approximately \$342,000 in late fees owed under the 1999 License Agreement. Defendants admit  
21 that Qualcomm agreed to forgo the late fees when Locate and/or Trace entered into the 2006  
22 Amended and Restated License Agreement. Except as expressly admitted, Defendants deny each  
23 and every remaining allegation in paragraph 116 of the Fourth Amended Complaint.

24           **117.** Defendants admit that Greenhaus met with Gabriel's counsel and Chief  
25 Technology Officer in August 2005. Defendants deny each and every remaining allegation in  
26 paragraph 117 of the Fourth Amended Complaint.

27           **118.** Defendants deny each and every allegation in paragraph 118 of the Fourth  
28 Amended Complaint.

1           **119.** Defendants are without sufficient knowledge or information to form a belief as to  
2 the truth of the allegations in paragraph 119 of the Fourth Amended Complaint and, therefore,  
3 deny them.

4           **120.** Defendants deny each and every allegation in paragraph 120 of the Fourth  
5 Amended Complaint.

6           **121.** Defendants deny each and every allegation in paragraph 121 of the Fourth  
7 Amended Complaint.

8           **122.** Defendants deny that paragraph 122 accurately or completely characterizes the  
9 language and terms of the 2006 License Agreement and to the extent that paragraph 122 purports  
10 to characterize the language and terms of the 2006 License Agreement, Defendants refer to the  
11 2006 License Agreement itself. On this basis, Defendants deny each and every allegation in  
12 paragraph 122 of the Fourth Amended Complaint.

13           **123.** Defendants admit that SnapTrack and Trace entered into an Amended and  
14 Restated License Agreement on January 16, 2006 (“2006 License Agreement”). Defendants deny  
15 each and every remaining allegation in paragraph 123 of the Fourth Amended Complaint.

16           **124.** Defendants admit that the quoted language in paragraph 124 appears in  
17 Section 8(a) of the 2006 License Agreement. Defendants deny that paragraph 124 accurately or  
18 completely characterizes the language and terms of the 2006 License Agreement and to the extent  
19 that paragraph 124 purports to characterize the language and terms of the 2006 License  
20 Agreement, Defendants refer to the 2006 License Agreement itself. Defendants deny each and  
21 every remaining allegation in paragraph 124 of the Fourth Amended Complaint.

22           **125.** Defendants are without sufficient knowledge or information to form a belief as to  
23 the truth of the allegations in the first sentence of paragraph 125 of the Fourth Amended  
24 Complaint and, therefore, deny them. Defendants admit that SnapTrack is an assignee on at least  
25 55 patents, that Qualcomm has filed at least 6,500 patent applications, and that Qualcomm is the  
26 assignee of at least 2,345 U.S. patents. Except as expressly admitted, Defendants deny the  
27 allegations of paragraph 125 of the Fourth Amended Complaint.

28           **126.** Defendants are without sufficient knowledge or information to form a belief as to

1 the truth of the allegations in paragraph 126 of the Fourth Amended Complaint and, therefore,  
2 deny them.

3 **127.** Defendants deny each and every allegation in paragraph 127 of the Fourth  
4 Amended Complaint.

5 **128.** Defendants admit that Gabriel made a presentation to Qualcomm in June 2007.  
6 Defendants deny each and every remaining allegation in paragraph 128 of the Fourth Amended  
7 Complaint.

8 **129.** Defendants are without sufficient knowledge or information to form a belief as to  
9 the truth of the allegations in the second sentence of paragraph 129 of the Fourth Amended  
10 Complaint and, therefore, deny them. Defendants deny each and every remaining allegation in  
11 paragraph 129 of the Fourth Amended Complaint.

12 **130.** The allegations in paragraph 130 are legal and not factual allegations; therefore,  
13 Defendants are not required to admit or deny them. To the extent paragraph 130 contains factual  
14 allegations, Defendants deny each and every one of them.

## 15 **V. CAUSES OF ACTION**

### 16 **COUNT TWO: Breach of the Amended and Restated License Agreement**

17 **131.** Defendants incorporate by reference and reallege their responses to each and every  
18 allegation set forth above, as though fully set forth herein.

19 **132.** Defendants admit the allegations in paragraph 132 of the Fourth Amended  
20 Complaint.

21 **133.** Defendants deny each and every allegation in paragraph 133 of the Fourth  
22 Amended Complaint.

23 **134.** Defendants deny each and every allegation in paragraph 134 of the Fourth  
24 Amended Complaint.

25 **135.** Defendants deny each and every allegation in paragraph 135 of the Fourth  
26 Amended Complaint.

27 **136.** Defendants deny each and every allegation in paragraph 136 of the Fourth  
28 Amended Complaint.

**COUNT FIVE: Correction of Inventorship (Pursuant to 35 U.S.C. § 256)**

**137.** Defendants incorporate by reference and reallege their responses to each and every allegation set forth above, as though fully set forth herein.

**138.** Defendants admit that Krasner and representatives of SnapTrack and Qualcomm applied for and were issued U.S. Patents in compliance with the United States Patent Act.

**139.** Defendants deny each and every allegation in paragraph 139 of the Fourth Amended Complaint.

**140.** Defendants deny each and every allegation in paragraph 140 of the Fourth Amended Complaint.

**141.** Defendants deny each and every allegation in paragraph 141 of the Fourth Amended Complaint.

**COUNT SIX: Declaratory Judgment Of Ownership Interest In The Patents (Pursuant to 28 U.S.C. § 2201)**

**142.** Defendants incorporate by reference and reallege their responses to each and every allegation set forth above, as though fully set forth herein.

**143.** The allegations in paragraph 143 are not factual allegations, therefore Defendants are not required to admit or deny them.

**144.** The allegations in paragraph 144 are legal and not factual allegations, therefore Defendants are not required to admit or deny them. To the extent paragraph 144 contains factual allegations, Defendants deny each and every one of them.

**145.** The allegations in paragraph 145 are legal and not factual allegations, therefore Defendants are not required to admit or deny them. To the extent paragraph 145 contains factual allegations, Defendants deny each and every one of them.

**146.** The allegations in paragraph 146 are legal and not factual allegations, therefore Defendants are not required to admit or deny them. To the extent paragraph 146 contains factual allegations, Defendants deny each and every one of them.

**147.** Defendants deny each and every allegation in the first sentence of paragraph 147 in the Fourth Amended Complaint. The allegations in the second sentence of paragraph 147 are

1 legal and not factual allegations, therefore Defendants are not required to admit or deny them, but  
2 to the extent the allegations require a response, Defendants deny them.

3 **148.** Defendants deny each and every allegation in paragraph 148 of the Fourth  
4 Amended Complaint.

5 **149.** The allegations in paragraph 149 are not factual allegations, therefore Defendants  
6 are not required to admit or deny them, but to the extent the allegations require a response,  
7 Defendants deny them.

8 **COUNT EIGHT: Misappropriation (Pursuant to California Uniform Trade Secrets Act)**

9 **150.** Defendants incorporate by reference and reallege their responses to each and  
10 every allegation set forth above, as though fully set forth herein.

11 **151.** Defendants deny each and every allegation in paragraph 151 of the Fourth  
12 Amended Complaint.

13 **152.** Defendants deny each and every allegation in paragraph 152 of the Fourth  
14 Amended Complaint.

15 **153.** Defendants are without sufficient knowledge or information to form a belief as to  
16 the truth of the allegations in paragraph 153 of the Fourth Amended Complaint and, therefore,  
17 deny them.

18 **154.** Defendants deny each and every allegation in paragraph 154 of the Fourth  
19 Amended Complaint.

20 **155.** Defendants deny each and every allegation in paragraph 155 of the Fourth  
21 Amended Complaint.

22 **156.** Defendants deny each and every allegation in paragraph 156 of the Fourth  
23 Amended Complaint.

24 **157.** The allegations in paragraph 157 are legal not factual allegations, therefore  
25 Defendants are not required to admit or deny them. To the extent the allegations in paragraph  
26 163 require a response, Defendants deny them.

27 **VI. JURY REQUEST**

28 **158.** The allegations in paragraph 158 are not factual allegations, therefore Defendants

1 are not required to admit or deny them.

2 **VII. REQUEST FOR RELIEF**

3 **159.** The allegations in paragraph 159 are not factual allegations, therefore Defendants  
4 are not required to admit or deny them.

5 **AFFIRMATIVE DEFENSES**

6 **First Affirmative Defense**

7 (Failure to State a Claim)

8 **160.** Each of Plaintiffs' purported claims fail to state a claim upon which relief may be  
9 granted.

10 **Second Affirmative Defense**

11 (Breach of Contract)

12 **161.** Plaintiffs' claims should be denied because Plaintiffs have breached the express  
13 terms of the 2006 License Agreement. Plaintiffs' breach has relieved Defendants of their  
14 continuing obligations under the 2006 License Agreement and precludes an award of damages to  
15 Plaintiffs.

16 **Third Affirmative Defense**

17 (Breach of Implied Covenant of Good Faith and Fair Dealing)

18 **162.** Plaintiffs' claims should be denied because Plaintiffs breached the implied  
19 covenant of good faith and fair dealing that runs with every written contract, and this breach  
20 relieved Defendants of their continuing obligations under the 2006 License Agreement and  
21 precludes an award of damages to Plaintiffs.

22 **Fourth Affirmative Defense**

23 (License)

24 **163.** Plaintiffs' claims are barred because Defendants have an irrevocable, perpetual,  
25 non-exclusive, royalty-free, fully paid-up, worldwide right and license to Plaintiffs' intellectual  
26 property under the 2006 License Agreement.

27 **Fifth Affirmative Defense**

28 (Prevention of Performance)



1           **164.** Plaintiffs breached the 2006 License Agreement by failing to timely, fully and  
2 adequately perform the terms and conditions therein, among other things, thereby preventing  
3 Defendants performance and discharging any obligation on the part of Defendants.

4                                   **Sixth Affirmative Defense**

5                                   (Failure to Fulfill Conditions Precedent)

6           **165.** Any purported claim for breach of contract is barred to the extent Plaintiffs failed  
7 to fulfill any contractual conditions precedent.

8                                   **Seventh Affirmative Defense**

9                                   (Negligence or Fault)

10          **166.** Plaintiffs' claims are barred, in whole or in part, by Plaintiffs' own negligent  
11 conduct or because Plaintiffs are at fault in bringing about any alleged loss or harm they may  
12 have suffered.

13                                   **Eighth Affirmative Defense**

14                                   (Waiver)

15          **167.** Plaintiffs are barred, in whole or in part, from seeking any relief under the doctrine  
16 of waiver.

17                                   **Ninth Affirmative Defense**

18                                   (Estoppel)

19          **168.** Plaintiffs are estopped, in whole or in part, from asserting their claims against  
20 Defendants.

21                                   **Tenth Affirmative Defense**

22                                   (Laches)

23          **169.** Plaintiffs have unreasonably delayed in bringing this action against Defendants.  
24 Such delay has resulted in prejudice to Defendants such that Plaintiffs are barred, in whole or in  
25 part, from seeking any relief.

26                                   **Eleventh Affirmative Defense**

27                                   (Failure to Mitigate Damages)

28          **170.** To the extent Plaintiffs suffered any damages, Plaintiffs have failed to mitigate

1 such damages.

2 **Twelfth Affirmative Defense**

3 (Unclean Hands)

4 **171.** The doctrine of unclean hands bars Plaintiffs from seeking any relief.

5 **Thirteenth Affirmative Defense**

6 (Good Faith)

7 **172.** Plaintiffs are barred, in whole or in part, from seeking any relief because any  
8 representations which may have been made by Defendants were based on information supplied to  
9 Defendants by other sources, which information Defendants believed to be true, and/or were  
10 otherwise made in good faith and with genuine belief that they had a reasonable factual and  
11 historical basis.

12 **Fourteenth Affirmative Defense**

13 (Truth)

14 **173.** Plaintiffs are barred, in whole or in part, from seeking any relief because any  
15 representations which may have been made by Defendants were true.

16 **Fifteenth Affirmative Defense**

17 (Statute of Limitations)

18 **174.** Plaintiffs are barred, in whole or in part, from seeking any relief by the operation  
19 of the applicable statutes of limitations.

20 **Sixteenth Affirmative Defense**

21 (Limitation of Liability)

22 **175.** Plaintiffs cannot recover damages in excess of the applicable limitation of liability  
23 contained in the 2006 License Agreement.

24 **Seventeenth Affirmative Defense**

25 (Frivolous Action)

26 **176.** Plaintiffs are barred, in whole or in part, from seeking any relief because the  
27 Fourth Amended Complaint is frivolous and was filed in bad faith.

**Eighteenth Affirmative Defense**

(Additional Affirmative Defenses)

**177.** Defendants hereby reserve their right to amend this Answer and/or allege additional affirmative defenses in the event that any such additional affirmative defenses become available to Defendants.

**PRAYER FOR RELIEF**

WHEREFORE Defendants Qualcomm and SnapTrack pray for the following relief:

- 1.** That Plaintiffs take nothing by way of their complaint;
- 2.** For reasonable attorneys' fees and costs incurred in the case, according to proof in accordance with 35 U.S.C. § 285 and Cal. Civ. Code § 3426.4;
- 3.** For interest on the above amounts in the maximum amount allowed by law; and
- 4.** For such other and further relief as the Court may deem just and proper.

Dated: January 21, 2010

COOLEY GODWARD KRONISH LLP

*/s/ John S. Kyle*

STEVEN M. STRAUSS (sstraus@cooley.com)  
JOHN S. KYLE (jkyle@cooley.com)  
Attorneys for Defendants

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the foregoing document has been served on January 21, 2010 to all counsel of record who are deemed to have consented to electronic service via the Court's CM/ECF system per Civil Local Rule 5.4. Any other counsel of record will be served by electronic mail, facsimile and/or overnight delivery.

/s/ John S. Kyle  
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